



Late Item
Item 9.9

2025-26 Annual Budget Adoption

Ordinary Council Meeting

30 July 2025

9.9 2025-26 Annual Budget Adoption

File Reference	
Report Date	27 July 2025
Applicant/Proponent	N/A
Officer Disclosure of Interest	N/A
Previous Meeting Reference	Nil
Prepared by	Colin Ashe – Deputy Chief Executive Officer
Senior Officer	Sean Fletcher – Chief Executive Officer
Authorised by	Sean Fletcher – Chief Executive Officer
Attachments	1. Annual Statutory Budget 2025-26

PURPOSE

To consider and adopt the Shire of Victoria Plains Budget for the 2025-26 financial year together with supporting notes, imposition of rates and minimum payments, transfers from Reserves, Loan Funding and other consequential matters arising from the budget papers.

BACKGROUND

The 2025-2026 Annual Statutory Budget and supporting notes have been prepared on strategic outcomes contained in the Community Strategic Plan (SCP), the Corporate Business Plan (CBP) and informing documents. The 2025/26 Draft Annual Budget presentation and budget discussions occurred over a series of briefing session in April, Jun and Jul 25.

COMMENT

As per the budget briefing session in Jul 25, the draft 2025/26 budget needed to address the forecast deficit opening position from three occurrences:

- No Flood Damage Revenue.
- Cost overrun on the Calingiri – New Norcia Rd Intersection Project.
- Reduced Grants Commission funding.

Accordingly significant budget cuts were required to address this issue requiring some projects and Plant Replacement to be deferred.

Nevertheless, the budget still contains a significant capital and operating budget aligned to major strategic outcomes as endorsed by council in the four (4) pillars in the SCP of:

- Community
- Economy
- Environment
- Civic Leadership

Council was advised on the major driver of the rate increase, this being the Local Government Cost Index (LGCI) prepared independently by WALGA. This is a measure of inflationary costs, similar to CPI but utilising more relevant types of costs incurred by local government and this LGCI forecast is 3.3% for 2025-26.

Accordingly, a rate increase any less than this would adversely impact the shire financially, or at the very least, only maintain services without any additional funding input to make improvements.

It should be noted that independent property valuations have increased by up to 15.5% for UV. GRV is revalued every 5 years so there was no change for 2025-26.

DETAILS

The budget has been prepared to include information required by the *Local Government Act 1995*, *Local Government (Financial Management) Regulations 1996* and *Australian Accounting Standards*. The Main features of the budget include:

- The 2024/25 budget has been prepared with a 7.0% rate increase, net increase of 3.7% taking into account the LGCI. Due to the inability of Landgate to provide valuations, the shire has had to differ Differential Rating for 2025-26 but will use this year to undertake the necessary background work, stakeholder engagement and revision of the rating strategy.
- The methodology for rate increases to take into account valuation increases is to discount the rate in the dollar (RID) applied from 2024-25 to generate the same rate income, and then apply the rate increase. Therefore the RID generally cannot be compared year by year.
- Fees and Charges have broadly been increased by 4% in alignment with the LGCI.
- Domestic and commercial rubbish removal charges have been increased to \$267.50 per service, in accordance with the Rating Strategy which required price parity for all services domestic and recycling. Waste income only covers 49% of the total waste cost across the shire and this cost will inevitably increase with the new initiatives implemented in 2024-25.
- Whilst the shire management team has addressed all legacy road projects, some dating back to 2018 and continued to implement the Plant Replacement program, it has come at a cost of the forecast deficit. A pause is now required to consolidate and reset capital outcomes in 2025-26.
- A capital works program totalling \$12,936,294 for investment in infrastructure, land and buildings, plant and equipment and furniture and equipment is planned which is higher than 2024-25, albeit significantly grant funded. The breakdown is as follows;
 - \$6,688,212 Land and Buildings
 - \$749,560 Plant and Equipment
 - \$95,000 Furniture and Equipment
 - \$4,190,343 Road Construction
 - \$1,213,179 Other Infrastructure

The land and buildings figure includes an allocation of \$4,567,000 for the Housing Support Program (HSP2) – Edmond St Calingiri, which has been confirmed as fully grant funded.

- The shire continues to be proactive in secure grant funding and whilst some initiatives have had to be withdrawn due to budget constraints, this still forms a major part of the budget 2025-26 and therefore key to success. Major planned and secured grant funding

includes:

- \$4,567,000 HSP2
 - \$1,890,000 Regional Precinct Partnership Program
 - \$689,485 ESA Tourism
 - \$906,448 Roads to Recovery
 - \$3,252,395 Regional Roads Safety Program
-
- Progress Associations within the shire were engaged for submissions and most requests have been able to be accommodated. Correspondence will be sent in due course once the budget has been adopted.
 - Council was advised at the Jul 25 briefing session the deficit was likely to be higher than what was presented. A new forecast has been completed and the estimated deficit is now (\$925,728). This is unaudited and likely to change but management is confident this is a more realistic figure.
 - The 2025-26 budget has been composed with a forecast deficit of (\$290,513) which is approximately \$20,000 more than presented during briefing sessions. This is considered a good outcome given the increase in the 30 Jun 2025 recalculated deficit carried forward.

Whilst this 2025-26 deficit is not ideal, it is a calculated decision recommended by management ensuring transparency to council throughout the budget process. There is optimism this can be improved through close monitoring throughout the year as normal practice.

Loan Funding in the 2025-26 Budget

As advised in the Jul 25 briefing session, it is proposed to include \$750,000 in loan funding over five (5) years in the 2025-26 budget. This is primarily to alleviate any need to amendments to the budget and subsequent public notice requirements. If it is decided to draw down on this loan it will be in the last quarter of 2025-26 so as to not incur any repayments in the financial year. Details of this proposal is provided in note 8.

Reserve Allocation Amendments

In order to fund some capital activities in the budget, there is a requirement to reallocate funds within the Reserve accounts to the Building Reserve. It is proposed that \$10,000 be reallocated from the Housing Reserve to the Building Reserve as detailed in note 9.

Fees and Charges

The EV charging stationing fee and charge has been overlooked in the previously council approved schedule and it is recommended that:

- \$1.10 connection fee
- \$0.85 per kw/H

be added to the 2025-26 fees and charges inclusive of GST.

CONSULTATION

All Senior Management and Staff
Elected Members
Progress Associations

Community through the SCP and CBP

STATUTORY CONTEXT

LGA S6.2 requires that not later than 31 August in each financial year, or such extended time as the Minister allows, each local government is to prepare and adopt, (Absolute Majority required) in the form and manner prescribed, a budget for its municipal fund for the financial year ending on the next following 30 June.

Divisions 5 and 6 of Part 6 of the *Local Government Act 1995* refer to the setting of budgets and raising of rates and charges. The *Local Government (Financial Management) Regulations 1996* details the form and content of the budget. The 2025-26 budget as presented is considered to meet statutory requirements.

CORPORATE CONTEXT

The budget is based on the principles contained in the IPR and the Corporate Business Plan.

Strategic Business Plan/Corporate Business Plan

STRATEGIC PRIORITIES		WE KNOW WE ARE SUCCEEDING WHEN	
4. CIVIC LEADERSHIP			
4.3 Proactive and well governed Shire	External audits and reviews confirm compliance		
	We have sound financial management policies and attract external funding to help achieve our goals		
	Councilors attend training and feel supported in their role		
	Council is supported by a skilled team		

Strategic Priority 4.3 is relevant as part of sound financial management policies.

Delegation

Nil

Policy Implications

Section 3 Financial Management of the Policy Manual

Other Corporate Document

Strategic Community Plan (SCP)
Corporate Business Plan (CBP)

Risk Analysis

Consequence	Consequence Rating:	Likelihood Rating:	Risk Rating	Risk Acceptance/ Controls	Mitigation and Outcome
Compliance	Extreme (5) Non-compliance results in litigation, criminal charges or significant damages or penalties to Shire/Officers	Unlikely (2) The event could occur at some time	High (10)	Senior Management Team / CEO Risk acceptable with excellent controls, managed by senior management / executive and subject to monthly monitoring	Policies and processes including preparation by Finance staff ensure that the residual risk is moderate.

FINANCIAL IMPLICATIONS

Specific financial implications are as outlined in the detail section of this report and as itemised in the 2025/2026 budget attached for adoption.

VOTING REQUIREMENTS

Absolute Majority

Officer Recommendation

That Council **ADOPTS** the following:

- Pursuant to the provisions of Section 6.2 of the *Local Government Act 1995 and Part 3 of the Local Government (Financial Management) Regulations 1996*, the council **ADOPT** the Municipal Fund Budget as contained in Attachment 1 of this agenda and the minutes, for the Shire of Victoria Plains for the 2025/2026 financial year which includes the following:
 - Statement of Comprehensive Income by Nature and Type showing a surplus net result for that year of \$9,914,501.
 - Statement of Cash Flows showing closing projected closing position of \$1,165,453.
 - Statement of Financial Activity (formerly) Rate Setting Statement showing an amount required to be raised from rates of \$4,135,598.
 - Proposed Loan Funding of \$750,000 over five (5) years.
 - \$10,000 Transfer of funds from the Housing Reserve to the Building Reserve.
 - Notes to and forming Part of the Budget.
 - EV Charging Station fee of \$1.10 connection fee and \$0.85 per kw/H (Incl GST).
- For the purpose of yielding the deficiency disclosed by the Municipal Fund Budget adopted at Part A above, council pursuant to Sections 6.32, 6.33, 6.34 and 6.35 of the Local Government Act 1995 impose the following general rates and minimum payments on Gross Rental and Unimproved Values.

2.1 General Rates

- Residential (GRV) 12.7150 cents in the dollar
- Rural (UV) 0.4474 cents in the dollar

2.2 Minimum Payments

- GRV General Minimum \$735.00
 - UV Lesser Minimum (non-mining) \$800.00
 - UV General Minimum (mining) \$1,550.00
3. Pursuant to Section 6.45 of the Local Government Act 1995 and regulation 64(2) of the Local Government (Financial Management) Regulations 1996, council **NOMINATES** the following due dates for the payment in full by instalments:
- Full payment and 1st instalment due date 11 September 2025
 - 2nd quarterly instalment due date 13 November 2025
 - 3rd quarterly instalment due date 12 January 2026
 - 4th quarterly instalment due date 16 March 2026
4. Pursuant to Section 6.45 of the Local Government Act 1995 and regulation 67 of the Local Government (Financial Management) Regulations 1996, council **ADOPTS** an instalment administration charge where the owner has elected to pay rates (and service charges) through an instalment option of \$10.00 for each instalment after the initial instalment is paid.
5. Pursuant to Section 6.45 of the Local Government Act 1995 and regulation 68 of the Local Government (Financial Management) Regulations 1996, council **ADOPTS** an interest rate of 5.5% where the owner has elected to pay rates and service charges through an instalment option.
6. Pursuant to Section 6.51(1) and subject to Section 6.51(4) of the Local Government Act 1995 and regulation 70 of the Local Government (Financial Management) Regulations 1996, council **ADOPTS** an interest rate of 7.0% for rates (and service charges) and costs of proceedings to recover such charges that remains unpaid after becoming due and payable.



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SHIRE OF VICTORIA PLAINS
ANNUAL STATUTORY BUDGET
FOR THE YEAR ENDING 30 JUNE 2026

LOCAL GOVERNMENT ACT 1995
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

**SHIRE OF VICTORIA PLAINS
ANNUAL STATUTORY BUDGET
FOR THE YEAR ENDING 30 JUNE 2026**
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**SHIRE OF VICTORIA PLAINS
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDING 30 JUNE 2026**

		Budget 25 / 26	Actual 24 / 25	Budget 24 / 25
	Note	\$	\$	\$
Revenue				
Rates	2(a)	4,135,598	3,862,921	3,851,656
Grants, Subsidies and Contributions	16	2,272,986	1,595,915	2,860,949
Fees and Charges	3(a)	309,923	302,609	230,452
Interest Earnings	3(b)	72,744	82,892	100,220
Other Revenue	3(c)	38,960	185,433	199,012
		<u>6,830,211</u>	<u>6,029,770</u>	<u>7,242,289</u>
Expenses				
Employee Costs		(2,058,532)	(2,365,870)	(2,574,296)
Materials and Contracts		(2,615,003)	(2,639,708)	(2,882,442)
Utility Charges		(118,350)	(113,539)	(132,890)
Depreciation on Non-current Assets	4(a)	(3,673,554)	(3,733,716)	(3,426,037)
Finance Costs	4(b)	(50,376)	(70,154)	(61,146)
Insurance Expenses		(195,445)	(264,817)	(217,133)
Other Expenditure		(218,676)	(143,326)	(72,800)
		<u>(8,929,936)</u>	<u>(9,331,130)</u>	<u>(9,366,744)</u>
Operating Surplus / (Deficit)		<u>(2,099,725)</u>	<u>(3,301,360)</u>	<u>(2,124,455)</u>
Other Revenue and Expenses				
Grants, Subsidies and Contributions	16	11,944,564	3,594,897	6,948,492
Profit on Disposal of Assets	5	76,763	32,479	33,998
(Loss) on Disposal of Assets	5	(7,101)	(58,001)	(41,492)
Net Result		<u>9,914,501</u>	<u>268,015</u>	<u>4,816,543</u>
Other Comprehensive Income				
Changes on Revaluation of Non-current Assets		-	-	-
		-	-	-
Total Comprehensive Income		<u>9,914,501</u>	<u>268,015</u>	<u>4,816,542</u>

This statement is to be read in conjunction with the accompanying notes.

SHERE OF VICTORIA PLAINS
ANNUAL STATUTORY BUDGET
FOR THE YEAR ENDING 30 JUNE 2026
STATEMENT OF CASH FLOWS

		Budget 25 / 26 \$	Actual 24 / 25 \$	Budget 24 / 25 \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates	2(a)	4,135,598	3,862,921	3,851,656
Grants, Subsidies and Contributions	16	2,272,986	1,595,915	2,860,949
Fees and Charges	3(a)	309,923	302,609	230,452
Interest Earnings	3(b)	72,744	82,892	100,220
Other Revenue	3(c)	38,960	185,433	199,012
		<u>6,830,211</u>	<u>6,029,770</u>	<u>7,242,289</u>
Payments				
Employee Costs		(2,058,532)	(2,365,870)	(2,574,296)
Materials and Contracts		(2,615,003)	(2,639,708)	(2,882,442)
Utility Charges		(118,350)	(113,539)	(132,890)
Finance Costs	4(b)	(50,376)	(70,154)	(61,146)
Insurance Expenses		(195,445)	(264,817)	(217,133)
Other Expenditure		(218,676)	(143,326)	(72,800)
		<u>(5,256,382)</u>	<u>(5,597,414)</u>	<u>(5,940,707)</u>
Net Cash provided by Operating Activities		<u>1,573,829</u>	<u>432,356</u>	<u>1,301,582</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Grants, Subsidies and Contributions	16	11,944,564	3,594,897	6,948,492
Proceeds from Disposal of Assets	5	280,500	198,922	198,000
Proceeds from Self Supporting Loans	8(c)	23,872	21,514	22,706
Payments for purchase of Land and Buildings	6(a)	(6,688,212)	(106,638)	(3,124,000)
Payments for purchase of Plant and Equipment	6(b)	(749,560)	(881,130)	(891,500)
Payments for purchase of Furniture and Equipment	6(c)	(95,000)	(22,760)	(48,000)
Payments for construction of Infrastructure - Roads	7(a)	(4,158,843)	(3,567,995)	(3,896,504)
Payments for construction of Infrastructure - Other	7(b)	(1,244,679)	(664,144)	(684,941)
Net Cash provided by (used in) Investing Activities		<u>(687,358)</u>	<u>(1,427,335)</u>	<u>(1,475,747)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of Long Term Borrowings	8(a)	(288,566)	(277,103)	(278,295)
Proceeds from New Loans	8(b)	-	-	-
Net Cash provided by (used in) Financing Activities		<u>(288,566)</u>	<u>(277,103)</u>	<u>(278,295)</u>
Net Increase / (Decrease) in Cash Held		<u>597,905</u>	<u>(1,272,082)</u>	<u>(452,460)</u>
Cash at Beginning of Year		<u>567,548</u>	<u>1,839,629</u>	<u>1,781,220</u>
Cash and Cash Equivalents at the End of the Year	10(a)	<u>1,165,453</u>	<u>567,548</u>	<u>1,328,759</u>

This statement should be read in conjunction with the accompanying Financial Statements and Notes.

SHIRE OF VICTORIA PLAINS
ANNUAL STATUTORY BUDGET
FOR THE YEAR ENDING 30 JUNE 2026
STATEMENT OF FINANCIAL ACTIVITY

		Budget 25 / 26 \$	Actual 24 / 25 \$	Budget 24 / 25 \$
OPERATING ACTIVITIES				
Revenue from Operating Activities				
Rates	2	4,135,598	3,862,921	3,851,656
Grants, Subsidies and Contributions	16	2,272,986	1,595,915	2,860,949
Fees and Charges	3(a)	309,923	302,609	230,452
Interest Earnings	3(b)	72,744	82,892	100,220
Other Revenue	3(c)	38,960	185,433	199,012
Profit on Disposal of Assets	5	76,763	32,479	33,998
		<u>6,906,974</u>	<u>6,062,249</u>	<u>7,276,287</u>
Expenditure from Operating Activities				
Employee Costs		(2,058,532)	(2,365,870)	(2,574,296)
Materials and Contracts		(2,615,003)	(2,639,708)	(2,882,442)
Utility Charges		(118,350)	(113,539)	(132,890)
Depreciation on Non-current Assets	4(a)	(3,673,554)	(3,733,716)	(3,426,037)
Finance Costs	4(b)	(50,376)	(70,154)	(61,146)
Insurance Expenses		(195,445)	(264,817)	(217,133)
Other Expenditure		(218,676)	(143,326)	(72,800)
Loss on Disposal of Assets	5	(7,101)	(58,001)	(41,492)
		<u>(8,937,037)</u>	<u>(9,389,131)</u>	<u>(9,408,236)</u>
Excluded Non-cash Operating Activities				
(Profit) / Loss on Disposal of Assets	5	(69,662)	25,522	7,494
Movement in Deferred Pensioner Rates		-	-	-
Movement in Employee Benefit Provisions		-	(10,427)	-
Depreciation and Amortisation on Assets	4(a)	3,673,554	3,733,716	3,426,037
Net Amount provided from Operating Activities		<u>1,573,829</u>	<u>421,929</u>	<u>1,301,582</u>
INVESTING ACTIVITIES				
Grants, Subsidies and Contributions	16	11,944,564	3,594,897	6,948,492
Proceeds from Disposal of Assets	5	280,500	198,922	198,000
Proceeds from Self Supporting Loans	8(c)	23,872	21,514	22,706
Purchase of Property, Plant and Equipment	6	(7,532,772)	(1,010,528)	(4,063,500)
Payments for Construction of Infrastructure	7	(5,403,522)	(4,232,139)	(4,581,445)
Net Amount provided from Investing Activities		<u>(687,358)</u>	<u>(1,427,335)</u>	<u>(1,475,747)</u>
FINANCING ACTIVITIES				
Repayment of Long Term Borrowings	8(a)	(288,566)	(277,103)	(278,295)
Proceeds from New Loans	8(b)	-	-	-
Transfers to Reserves (Restricted Assets)	9	(40,000)	(35,711)	(291,737)
Transfers from Reserves (Restricted Assets)	9	77,309	291,500	380,000
Net Amount provided from Financing Activities		<u>(251,257)</u>	<u>(21,314)</u>	<u>(190,032)</u>
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year		(925,728)	100,993	379,199
Amount attributable to operating activities		1,573,829	421,929	1,301,582
Amount attributable to investing activities		(687,358)	(1,427,335)	(1,475,747)
Amount attributable to financing activities		(251,257)	(21,314)	(190,032)
Surplus or deficit at the end of the financial year	11	<u>(290,513)</u>	<u>(925,728)</u>	<u>15,003</u>

This statement is to be read in conjunction with the accompanying notes.

**SHIRE OF VICTORIA PLAINS
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDING 30 JUNE 2026**

1. BASIS OF PREPARATION

The annual budget of the Shire of Victoria Plains which is a Class 4 local government is a forward looking document and has been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the annual budget be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 Leases which would have required the Shire to measure any vested improvements at zero cost.

Accounting policies which have been adopted in the preparation of this annual budget have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the annual budget has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

The local government reporting entity

All funds through which the Shire controls resources to carry on its functions have been included in the financial statements forming part of this annual budget.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 12 to the annual budget.

2024/25 actual balances

Balances shown in this budget as 2024/25 Actual are estimates as forecast at the time of preparation of the annual budget and are subject to final adjustments.

Budget comparative figures

Unless otherwise stated, the budget comparative figures shown in the budget relate to the original budget estimate for the relevant item of disclosure.

Comparative figures

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

Rounding off figures

All figures shown in this statement are rounded to the nearest dollar.

Statement of Cashflows

Investing and financing transactions that do not require the use of cash or cash equivalents shall be excluded from a statement of cash flows. Such transactions shall be disclosed elsewhere in the financial statements in a way that provides all the relevant information about these investing and financing activities.

Initial application of accounting standards

During the budget year, the below revised Australian Accounting Standards and Interpretations are expected to be compiled, become mandatory and be applicable to its operations.

- AASB 2020-1 Amendments to Australian Accounting Standards
 - Classification of Liabilities as Current or Non-current
- AASB 2022-5 Amendments to Australian Accounting Standards
 - Lease Liability in a Sale and Leaseback
- AASB 2022-6 Amendments to Australian Accounting Standards
 - Non-current Liabilities with Covenants
- AASB 2023-1 Amendments to Australian Accounting Standards
 - Supplier Finance Arrangements
- AASB 2023-3 Amendments to Australian Accounting Standards
 - Disclosure of Non-current Liabilities with Covenants: Tier 2
- AASB 2024-1 Amendments to Australian Accounting Standards
 - Supplier Finance Arrangements: Tier 2 Disclosures

It is not expected these standards will have an impact on the annual budget.

- AASB 2022-10 Amendments to Australian Accounting Standards
 - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities, became mandatory during the budget year. Amendments to AASB 13 Fair Value Measurement impacts the future determination of fair value when revaluing assets using the cost approach. Timing of future revaluations is defined by regulation 17A of *Local Government (Financial Management) Regulations 1996*. Impacts of this pronouncement are yet to be quantified and are dependent on the timing of future revaluations of asset classes. No material impact is expected in relation to the 2025-26 statutory budget.

New accounting standards for application in future years

The following new accounting standards will have application to local government in future years:

- AASB 2014-10 Amendments to Australian Accounting Standards
 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- AASB 2024-4b Amendments to Australian Accounting Standards
 - Effective Date of Amendments to AASB 10 and AASB 128 [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
- AASB 2022-9 Amendments to Australian Accounting Standards
 - Insurance Contracts in the Public Sector
- AASB 2023-5 Amendments to Australian Accounting Standards
 - Lack of Exchangeability
- AASB 18 (FP) Presentation and Disclosure in Financial Statements
 - (Appendix D) [for for-profit entities]
- AASB 18 (NFP/super) Presentation and Disclosure in Financial Statements
 - (Appendix D) [for not-for-profit and superannuation entities]
- AASB 2024-2 Amendments to Australian Accounting Standards
 - Classification and Measurement of Financial Instruments
- AASB 2024-3 Amendments to Australian Accounting Standards
 - Standards – Annual Improvements Volume 11

It is not expected these standards will have an impact on the annual budget.

Critical accounting estimates and judgements

The preparation of the annual budget in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

As with all estimates, the use of different assumptions could lead to material changes in the amounts reported in the financial report.

The following are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and further information on their nature and impact can be found in the relevant note:

- Fair value measurement of assets carried at reportable value including:
 - Property, plant and equipment
 - Infrastructure
- Expected credit losses on financial assets
- Assets held for sale
- Impairment losses of non-financial assets
- Investment property
- Estimated useful life of intangible assets
- Measurement of employee benefits
- Measurement of provisions

**SHIRE OF VICTORIA PLAINS
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDING 30 JUNE 2026**

1. OPERATING REVENUE

a) Rate Revenue

i) General Rates

Rate Type	Valuation \$	Rateable Value \$	Number of Properties #	Budget 25 / 26 \$	Actual 24 / 25 \$	Budget 24 / 25
General GRV	0.127150	2,265,408	159	288,047	271,390	276,400
General UV	0.004474	818,338,000	309	3,661,244	3,396,365	3,327,326
		820,603,408	468	3,949,291	3,667,755	3,603,726

Minimum Rates

Rate Type						
GRV General Minimum	735.00	122,496	76	55,860	52,212	52,899
UV Lesser Minimum (non mining)	800.00	4,358,500	45	36,000	37,975	38,750
UV General Minimum (mining)	1,550.00	270,775	47	72,850	80,600	83,700
		4,751,771	168	164,710	170,787	175,349
		825,355,179	636	4,114,001	3,838,542	3,779,075

Other Rate Revenue

Interim and Back Rates	-	4,196	-
Facilities Fees (Ex Gratia)	21,597	20,183	72,581
Total Rate Revenue	4,135,598	3,862,921	3,851,656

ii) Interest Charges

Interest on Unpaid Rates	6,500	7,478	6,675
Interest on Instalments Plan	17,696	17,696	14,000
ESL Penalty Interest	120	167	-
	24,316	25,341	20,675

Administration Charges

Instalment Charges	4,154	4,154	3,200
Total Funds Raised from Rates	4,164,068	3,892,416	3,875,531

iii) Instalment Options and Dates

	Instalment Date	Admin Charge \$	Instalment Plan %	Unpaid Rates %
Option 1				
Single Full Payment	11 Sep 25			7.0%
Option 2				
First Instalment	11 Sep 25			
Second Instalment	13 Nov 25	10.00	5.5%	7.0%
Third Instalment	12 Jan 26	10.00	5.5%	7.0%
Fourth Instalment	16 Mar 26	10.00	5.5%	7.0%

iv) Rate Payment Discounts, Waivers and Concessions

No Discounts, Waivers or Concessions in relation to Rates are proposed for 2025/26.

b) Specified Area Rate

No Specified Area Rates will be levied in the 2025/26 financial year.

c) Service Charges

No Service Charges will be imposed in the 2025/26 financial year.

SHIRE OF VICTORIA PLAINS
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDING 30 JUNE 2026

3. OPERATING REVENUE

a) Fees and Charges

Program	Budget 25 / 26 \$	Actual 24 / 25 \$	Budget 24 / 25 \$
Governance	-	5,462	1,000
General Purpose Funding	7,372	5,931	4,700
Law, Order, Public Safety	64,734	61,828	4,900
Health	150	190	350
Education and Welfare	-	-	-
Housing	72,800	71,205	71,160
Community Amenities	120,897	113,376	115,802
Recreation and Culture	4,220	4,121	4,340
Transport	-	-	-
Economic Services	33,250	33,622	22,200
Other Property and Services	6,500	6,874	6,000
Total Fees and Charges	309,923	302,609	230,452

b) Interest Earnings on Investments

Source of Revenue	Budget 25 / 26 \$	Actual 24 / 25 \$	Budget 24 / 25 \$
Interest on Reserves	30,000	35,711	38,452
Other Funds	18,428	21,840	41,093
Other Interest Revenue (Refer Note 2(a)(ii))	24,316	25,341	20,675
Total Interest Earnings	72,744	82,892	100,220

c) Other Revenue

Source of Revenue	Budget 25 / 26 \$	Actual 24 / 25 \$	Budget 24 / 25 \$
Reimbursements	-	140,533	170,962
Other Revenue	38,960	44,900	28,050
Total Other Revenue	38,960	185,433	199,012

SHIRE OF VICTORIA PLAINS
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDING 30 JUNE 2026

1. OPERATING EXPENSES

a) Depreciation

	Budget 25 / 26	Actual 24 / 25	Budget 24 / 25
By Program	\$	\$	\$
Governance	64,653	62,641	39,134
Law, Order, Public Safety	55,550	59,852	36,720
Education and Welfare	993	1,004	1,007
Housing	37,447	36,039	40,873
Community Amenities	106,507	97,924	128,942
Recreation and Culture	221,447	222,008	247,939
Transport	2,774,595	2,862,736	2,617,865
Economic Services	50,045	51,768	7,630
Other Property and Services	362,317	339,744	305,927
Total Depreciation by Program	3,673,554	3,733,716	3,426,037
By Class			
Buildings - non-specialised	29,063	29,283	22,560
Buildings - specialised	153,750	152,603	119,480
Furniture and Equipment	19,226	16,802	23,161
Plant and Equipment	437,688	419,626	145,131
Motor Vehicles	-	-	109,179
Infrastructure - Roads	2,567,519	2,655,321	2,728,054
Infrastructure - Footpaths	17,678	15,392	11,171
Infrastructure - Other	299,601	294,004	171,757
Infrastructure - Bridges	149,029	150,685	95,544
Total Depreciation by Class	3,673,554	3,733,716	3,426,037

b) Finance Costs

	Budget 25 / 26	Actual 24 / 25	Budget 24 / 25
Loan Description	\$	\$	\$
Borrowings (Refer Note 8(a))	50,376	60,968	60,646
Loan Guarantee Fee - WATC	-	9,186	-
Overdraft	-	-	500
Total Interest Expense	50,376	70,154	61,146

c) Auditor Remuneration

	Budget 25 / 26	Actual 24 / 25	Budget 24 / 25
Service Provided	\$	\$	\$
Audit Services	44,992	44,992	42,800
Total Auditing Expense	44,992	44,992	42,800

d) Write offs

	Budget 25 / 26	Actual 24 / 25	Budget 24 / 25
	\$	\$	\$
General rate	1,000	2,376	1,000
General debtors	-	-	2,000
Total Write Off Expense	1,000	2,376	3,000

**NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDING 30 JUNE 2026**

I. OPERATING EXPENSES (Continued)

e) Elected Members Remuneration

Fees, expenses and allowances to be paid or reimbursed to elected council members.

	Budget 25 / 26 \$	Actual 24 / 25 \$	Budget 24 / 25 \$
Fees, Expenses and Allowances Paid			
Cr. Pauline Bantock			
President's annual allowance	10,920	10,700	10,500
Meeting attendance fees	8,165	7,965	7,850
Annual allowance for ICT expenses	416	471	400
Superannuation	2,290	-	-
Travel and accommodation expenses	1,560	-	1,500
	23,351	19,136	20,250
Cr. Suzanne Woods			
Deputy President's annual allowance	2,760	2,650	2,650
Meeting attendance fees	8,165	7,965	7,850
Annual allowance for ICT expenses	416	471	400
Superannuation	1,311	-	-
Travel and accommodation expenses	1,560	-	1,500
	14,212	11,086	12,400
Cr. Rebecca Johnson			
Meeting attendance fees	8,165	7,850	7,850
Annual allowance for ICT expenses	416	400	400
Superannuation	980	-	-
Travel and accommodation expenses	1,560	-	1,500
	11,121	8,250	9,750
Cr. David Lovelock			
Meeting attendance fees	8,165	7,965	7,850
Annual allowance for ICT expenses	416	471	400
Superannuation	980	-	-
Travel and accommodation expenses	1,560	-	1,500
	11,121	8,436	9,750
Cr. Stephanie Penn			
Meeting attendance fees	8,165	7,965	7,850
Annual allowance for ICT expenses	416	471	400
Superannuation	980	-	-
Travel and accommodation expenses	1,560	-	1,500
	11,121	8,436	9,750
	70,926	55,344	61,900
	Budget 25 / 26 \$	Actual 24 / 25 \$	Budget 24 / 25 \$
Elected Members Remuneration Summary			
President's allowance	10,920	10,700	10,500
Deputy President's allowance	2,760	2,650	2,650
Meeting attendance fees	40,825	39,710	39,250
Annual allowance for ICT expenses	2,080	2,284	2,000
Superannuation	6,541	-	-
Travel and accommodation expenses	7,800	-	7,500
	70,926	55,344	61,900

SHIRE OF VICTORIA PLAINS
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDING 30 JUNE 2026

5. DISPOSAL OF ASSETS

25/26 Budget	Book Value 25 / 26 \$	Proceeds 25 / 26 \$	Profit 25 / 26 \$	(Loss) 25 / 26 \$
Plant and Equipment				
Governance				
CEO Vehicle	62,119	80,000	17,881	-
DCEO Vehicle	54,963	65,000	10,037	-
	117,082	145,000	27,918	-
Transport				
PEX01 - Caterpillar Excavator 311D-LRR	18,115	30,000	11,885	-
Snap on Hydraulic Claw	2,551	500	-	(2,051)
PM09 - Kubota ZD1211-60 Mower VP71	10,050	5,000	-	(5,050)
PTK23 - Mitsubishi Canter Table Top VP49	5,656	35,000	29,344	-
Ford Ranger Wildtrak WM VP000	57,384	65,000	7,616	-
	93,756	135,500	48,845	(7,101)
Total Profit or (Loss)				69,662
24/25 Actual	Book Value 24 / 25 \$	Proceeds 24 / 25 \$	Profit 24 / 25 \$	(Loss) 24 / 25 \$
Plant and Equipment				
Law, Order and Public Safety				
CESM Vehicle	30,431	17,037	-	(13,394)
	30,431	17,037	-	(13,394)
Transport				
PLR12 - Kubota Track Loader	124,229	85,971	-	(38,258)
PTK17 - 2007 Hino 9T Tip Truck - VP42	34,880	30,394	-	(4,486)
PTK21 - Hino 300 Service Truck - VP48	17,223	15,360	-	(1,864)
PTL12 - Bobcat Trailer - VP3513	15,499	16,725	1,226	-
PWV64 - 2020 Toyota Hilux	2,182	33,435	31,253	-
	194,013	181,885	32,479	(58,001)
Total Profit or (Loss)				(25,522)
24/25 Budget	Book Value 24 / 25 \$	Proceeds 24 / 25 \$	Profit 24 / 25 \$	(Loss) 24 / 25 \$
Plant and Equipment				
Law, Order and Public Safety				
CESM Vehicle	-	-	-	-
	-	-	-	-
Transport				
PE098 - Single Axle Trailer Set with Pump	-	1,500	1,500	-
PDFES2 - Single Axle Trailer Set up Pump	-	1,500	1,500	-
PLR12 - Kubota Track Loader	127,525	100,000	-	(27,525)
PTK17 - 2007 Hino 9T Tip Truck - VP42	37,372	30,000	-	(7,372)
PTK21 - Hino 300 Service Truck - VP48	18,469	25,000	6,531	-
PTL12 - Bobcat Trailer - VP3513	16,595	10,000	-	(6,595)
PWV64 - 2020 Toyota Hilux	5,533	30,000	24,467	-
	205,494	198,000	33,998	(41,492)
Total Profit or (Loss)				(7,494)

SHIRE OF VICTORIA PLAINS
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDING 30 JUNE 2026

5. CAPITAL EXPENDITURE - PROPERTY, PLANT AND EQUIPMENT

a) Land and Buildings

	Budget 25 / 26 \$	Actual 24 / 25 \$	Budget 24 / 25 \$
Administration			
Admin Storage and Roller Doors	22,000	-	-
Admin Office Carpark and Walkway	-	36,090	35,000
	22,000	36,090	35,000
Housing			
Staff Housing Development - HSP2	4,567,000	-	-
15 Lambert - Flooring	-	6,898	7,000
Staff Housing Development - HSP1	27,000	40,165	67,000
Staff Housing Fencing	-	10,670	30,000
	4,594,000	57,733	104,000
Recreation and Culture			
Calingiri Pavilion Boiler	27,309	-	-
Calingiri Sportsclub	25,000	-	-
Mogumber Toilets	54,903	2,815	60,000
Mogumber Hall Locks	-	10,000	10,000
	107,212	12,815	70,000
Transport			
Depot Renovations	60,000	-	-
Depot Carpark	15,000	-	15,000
	75,000	-	15,000
Economic Development			
Victoria Plains Central Precinct	1,890,000	-	-
Edmond Street Concept Plan	-	-	2,900,000
	1,890,000	-	2,900,000
Total Land and Buildings	6,688,212	106,638	3,124,000

b) Plant and Equipment

	Budget 25 / 26 \$	Actual 24 / 25 \$	Budget 24 / 25 \$
Governance			
CEO Vehicle (VP0)	100,000	-	-
DCEO Vehicle (VP00)	75,000	-	-
	175,000	-	-
Law, Order and Public Safety			
Disaster Ready Generators	101,560	-	-
	101,560	-	-
Transport			
PEX01 - Caterpillar Excavator 311D-LRR	175,000	-	-
Snap on Hydraulic Claw	30,000	-	-
PM09 - Kubota ZD1211-60 Mower VP71	18,000	-	-
PTK23 - Mitsubishi Canter Table Top VP49	120,000	-	-
PWV75 - Ford Ranger Wildtrak WM VP000	75,000	-	-
Digital Speed Signs	25,000	-	-
Depot Utility (2WD)	30,000	-	-
Single Axle Trailer Set with Pump - ITIY210	-	19,950	20,000
Single Axle Trailer set up Pump - ITCB938	-	19,950	20,000
Kubota Track Loader	-	184,450	178,000
Hino 9T Tip Truck - VP42	-	286,551	290,000
Hino 300 Series 617 Service Truck - VP48	-	162,045	165,000
Howard Porter DFD45R Drop Deck Trailer	-	41,645	40,000
Bobcat Trailer Single Axle Semi	-	46,000	46,000
2020 Toyota Hilux	-	62,372	68,000
Tandem Dolly	-	35,364	40,000

**SHIRE OF VICTORIA PLAINS
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDING 30 JUNE 2026**

i. CAPITAL ACQUISITIONS - PROPERTY, PLANT AND EQUIPMENT (Cont)

b) Plant and Equipment

	Budget 25 / 26 \$	Actual 24 / 25 \$	Budget 24 / 25 \$
Transport			
Depot Wash Down Bay	-	9,053	8,500
Fogger	-	5,770	6,000
Back Up Generators	-	7,980	10,000
	473,000	881,130	891,500
Total Plant and Equipment	749,560	881,130	891,500

c) Furniture and Equipment

Law, Order and Public Safety

Animal Pound / Shelter	-	-	35,000
	-	-	35,000

Housing

Air Conditioner - 12 Harrington St	15,000	-	-
16 Yulgering - Air Conditioner	-	11,500	-
	15,000	11,500	-

Recreation and Culture

Calingiri Oval Scoreboard	80,000	-	-
Hockey Goals	-	6,800	8,000
Netball Scoreboard	-	4,460	5,000
	80,000	11,260	13,000

Total Furniture and Equipment

	95,000	22,760	48,000
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Total Property, Plant and Equipment

	7,532,772	1,010,528	4,063,500
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**SHIRE OF VICTORIA PLAINS
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDING 30 JUNE 2026**

7. CAPITAL ACQUISITIONS - INFRASTRUCTURE

a) Roads

	Budget 25 / 26 \$	Actual 24 / 25 \$	Budget 24 / 25 \$
Transport			
<i>Roadworks - Council Funding</i>			
Mogumber-Yarawindah	-	165,041	177,187
Calingiri - New Norcia Road (MRWA)	-	169,008	169,008
Calingiri - New Norcia Road (AG/CBH)	-	536,694	300,992
<i>Roadworks - RRG Funded</i>			
Toodyay - Bindi Bindi Rd Nth	-	774,462	1,080,000
<i>Roadworks - Regional Road Safety Program</i>			
Toodyay - Bindi Bindi Rd Nth (RRSP)	2,428,855	-	-
Wongan Hills Waddington Road (RRSP)	823,540	-	-
<i>Roadworks - Roads to Recovery Funded</i>			
Toodyay - Bindi Bindi Rd Shoulder Binding	-	121,000	105,236
Gouge Rd - Clearing Vegetation	-	83,980	100,000
Yerecoin Sth East Rd	700,000	-	-
Bolgart East Rd Seal - renewal	57,250	17,000	74,250
Poincare St - Seal renewal	60,000	-	60,000
Cavell St and Haig Intersection	10,000	-	10,000
Calingiri New Norcia Rd - reconstruction	79,198	163,810	243,008
Toodyay Bindi Bindi Rd - reconstruction	-	13,000	13,980
<i>Roadworks - State Freight Network</i>			
Mogumber-Yarawindah WSFN #6	-	1,300,750	1,300,750
Calingiri-New Norcia Road - Geo Tech	-	158,623	159,093
Mogumber-Yarawindah Rd - Geo Tech	-	64,627	103,000
	4,158,843	3,567,995	3,896,504
Total Roads	4,158,843	3,567,995	3,896,504

**SHIRE OF VICTORIA PLAINS
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDING 30 JUNE 2026**

1. CAPITAL ACQUISITIONS - INFRASTRUCTURE (Cont)

b) Infrastructure - Other

	Budget 25 / 26 \$	Actual 24 / 25 \$	Budget 24 / 25 \$
Law, Order and Public Safety			
Disaster Ready Bores	78,440	-	-
	78,440	-	-
Community Amenities			
E-Waste Transfer Station	-	38,634	75,707
Cemetery Shelter - Calingiri	-	17,100	20,000
Waste Sorting Facility	-	135,622	135,000
Yerecoin Obelisk 100th	-	10,000	10,000
Bolgart Refuse Site Monitoring Bore	-	25,204	30,000
	-	226,560	270,707
Recreation and Culture			
Calingiri War Memorial	22,000	-	-
Calingiri Playground Equipment	52,000	-	30,000
Calingiri Sportsground Lighting	22,471	62,969	77,000
Calingiri Youth Park	5,150	9,850	15,000
Bolgart Skatepark	5,000	-	5,000
Mogumber Cricket Pitch	-	17,933	15,000
	106,621	90,752	142,000
Transport			
EV Charging Stations	-	11,852	10,790
Temporary Fencing	-	7,625	12,000
Footpaths	20,000	60,318	45,000
Truck Parking Bay - Mogumber	10,000	-	-
Truck Parking Bay - Yerecoin	21,500	8,500	30,000
	51,500	88,295	97,790
Other Economic Services			
Gillingarra Emergency Water CWSP	86,180	-	-
Gillingarra Community Water CWSP	93,912	-	-
Gillingarra Truckfill CWSP	128,741	-	-
ESA Tourism Development	689,485	-	-
Water Tank Upgrades - Goudge / Parker Rd	-	104,305	-
Bore Development - Goudge / Parker Rd	9,800	121,144	-
Water Supply - Gillingarra	-	-	130,000
Piawaning Desalination Bore / Plant	-	26,142	24,444
Calingiri Caravan Park	-	-	10,000
Bolgart Caravan Park	-	6,946	10,000
	1,008,118	258,537	174,444
Total Infrastructure - Other	1,244,679	664,144	684,941
Total Infrastructure	5,403,522	4,232,139	4,581,445

SHERE OF VICTORIA PLAINS
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDING 30 JUNE 2026

1. INFORMATION ON BORROWINGS

a) Debenture Repayments

i) Loan 83 Calingiri Football Club

	Budget 25 / 26	Actual 24 / 25	Budget 24 / 25
Recreation and Culture	\$	\$	\$
Opening Balance	104,290	125,804	125,804
Principal Payment	(23,872)	(21,514)	(22,706)
Principal Outstanding at Year End	80,418	104,290	103,098
Interest Payment	(4,928)	(9,599)	(6,093)
Total Interest	(4,928)	(9,599)	(6,093)

ii) Loan 84 Piawaning Water Supply

	Budget 25 / 26	Actual 24 / 25	Budget 24 / 25
Economic Services	\$	\$	\$
Opening Balance	29,088	47,889	47,889
Principal Payment	(19,272)	(18,801)	(18,801)
Principal Outstanding at Year End	9,816	29,088	29,088
Interest Payment	(605)	(1,261)	(1,076)
Total Interest	(605)	(1,261)	(1,076)

iii) Loan 85 Grader and Roller

	Budget 25 / 26	Actual 24 / 25	Budget 24 / 25
Transport	\$	\$	\$
Opening Balance	60,890	101,057	101,056
Principal Payment	(40,508)	(40,167)	(40,167)
Principal Outstanding at Year End	20,382	60,890	60,889
Interest Payment	(430)	(348)	(771)
Total Interest	(430)	(348)	(771)

iv) Loan 87 - Plant Replacement

	Budget 25 / 26	Actual 24 / 25	Budget 24 / 25
Transport	\$	\$	\$
Opening Balance	1,114,716	1,311,336	1,311,366
Principal Payment	(204,914)	(196,621)	(196,621)
Principal Outstanding at Year End	909,802	1,114,715	1,114,745
Interest Payment	(44,413)	(49,760)	(52,706)
Total Interest	(44,413)	(49,760)	(52,706)
Total Principal Repayments	(288,566)	(277,103)	(278,295)
Total Interest Payment	(50,376)	(60,968)	(60,646)

**SHIRE OF VICTORIA PLAINS
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDING 30 JUNE 2026**

1. INFORMATION ON BORROWINGS (Continued)

b) New borrowings

The Shire does anticipate new borrowings to be drawn down in full in the 25/26 financial year as follows:

Purpose: Plant Replacement Phase 2

Amount: \$750,000

Term: 5 years

Interest Rate: 3.87% plus Government Guarantee Fee

c) Self Supporting Loans

i) Loan 83 Calingiri Football Club

	Budget 25 / 26	Actual 24 / 25	Budget 24 / 25
	\$	\$	\$
Recreation and Culture			
Opening Balance	104,290	125,804	125,804
Principal Payment Received	(23,872)	(21,514)	(22,706)
Principal Outstanding at Year End	80,418	104,290	103,098
Interest Received	(4,928)	(9,599)	(6,093)
Total Interest	(4,928)	(9,599)	(6,093)
Total Principal Received	(23,872)	(21,514)	(22,706)
Total Interest	(4,928)	(9,599)	(6,093)

d) Unspent Debentures

The Shire had no unspent borrowings as at 30 June 2025. It is not expected to have unspent borrowings as at 30 June 2026.

e) Credit Facilities

	Budget 25 / 26	Actual 24 / 25	Budget 24 / 25
Bank Overdraft Limit	600,000	600,000	300,000
Bank Overdraft at Balance date	-	-	-
WATC Liquidity Lending Limit	1,000,000	-	1,000,000
WATC Liquidity Lending at Balance Date	-	-	-
Credit Card Limit	35,000	35,000	35,000
Credit Card balance at balance date	18,000	12,236	-
Total amount of credit unused	1,617,000	22,764	1,335,000

SHIRE OF VICTORIA PLAINS
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDING 30 JUNE 2026

1. CASH BACKED RESERVES

	Opening Balance 01 Jul 25 \$	Transfers from \$	Interest Received \$	Transfer to \$	Adopted Budget 30 Jun 26 \$	Opening Balance 01 Jul 24 \$	Transfers from \$	Transfer to \$	Actual 30 Jun 25 \$	Adopted Budget 30 Jun 25 \$
Reserves restricted by Council										
Employee Entitlements	4,856	-	204	-	5,060	4,682	-	174	4,856	12,868
Plant	27,740	-	1,165	-	28,905	296,712	(280,000)	11,028	27,740	123,772
Housing	154,489	(10,000)	6,499	-	150,988	148,953	-	5,536	154,489	154,864
Sewerage Scheme - Calingiri	53,648	-	2,257	-	55,905	51,712	-	1,936	53,648	53,764
Refuse Site	275,379	-	11,585	-	286,964	265,511	-	9,868	275,379	276,048
Building Maintenance	57,930	(67,309)	2,437	10,000	3,058	66,948	(11,500)	2,482	57,930	69,605
Infrastructure	100,516	-	4,229	-	104,745	96,924	-	3,592	100,516	100,770
Gym Equipment	8,038	-	338	-	8,376	7,750	-	288	8,038	8,058
Sewerage Scheme - Yerecoin	22,909	-	964	-	23,873	22,102	-	807	22,909	22,979
Shire Grants Reserve	-	-	-	-	-	-	-	-	-	50,000
Unallocated Monies	7,628	-	321	-	7,949	7,628	-	-	7,628	7,931
Total Reserves	713,133	(77,309)	30,000	10,000	675,824	968,922	(291,500)	35,711	713,133	880,659

Objective of Reserves

In accordance with council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

Reserve Name	Term	Purpose
Long Service Leave	Ongoing	to be used to fund employee entitlements
Plant	Ongoing	to be used for the purchase of major plant
Housing	Ongoing	to be used for the procurement of staff housing
Sewerage Scheme - Calingiri	Ongoing	to be used to maintain and improve the Calingiri sewerage scheme
Refuse Site	Ongoing	to be used to fund future refuse site development
Building Maintenance	Ongoing	to be used for the long term maintenance of Shire buildings
Infrastructure	Ongoing	to be used for future infrastructure development to ensure long term Shire sustainability
Gymnasium	Ongoing	to be used for future purchases and replacement of gymnasium equipment
Sewerage Scheme - Yerecoin	Ongoing	to be used to maintain and improve the Yerecoin sewerage scheme
Shire Grants Reserve	Ongoing	to be used to fund the shire portion of grant agreements.
Unallocated Monies	Ongoing	to be used for future refund or allocation once identified or transferred to shire general revenue after the statutory period has expired.

The reserves are not expected to be used within a set period and further transfers to the reserve accounts are expected as funds are utilised.
There are no reserves restricted by legislation.

SHIRE OF VICTORIA PLAINS
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDING 30 JUNE 2026

10. NOTES TO THE STATEMENT OF CASH FLOWS

The statement of cash flows includes cash and cash equivalents net of outstanding overdrafts. The estimated cash at reporting date is as follows:

	Budget 25 / 26 \$	Actual 24 / 25 \$	Budget 24 / 25 \$
a) Reconciliation of Cash			
Cash at bank and on hand	1,165,453	1,839,629	1,328,760
Total Cash on Hand	1,165,453	1,839,629	1,328,760
Held as			
Cash - Unrestricted	489,629	1,126,496	448,101
Cash - Restricted	675,824	713,133	880,659
Total Cash on Hand	1,165,453	1,839,629	1,328,760
b) Reconciliation of Net Cash from Operating Activities to Net Result			
Net Result	9,914,501	268,015	4,816,543
Depreciation	3,673,554	3,733,716	3,426,037
(Profit) on Sale of Asset	(76,763)	(32,479)	(33,998)
Loss on Sale of Asset	7,101	58,001	41,492
Non-operating Grants, Subsidies and Contributions	(11,944,564)	(3,594,897)	(6,948,492)
Net Cash from Operating Activities	1,573,829	432,356	1,301,582

SHIRE OF VICTORIA PLAINS
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDING 30 JUNE 2025

11. NET CURRENT ASSETS

(a) Composition of Estimated Net Current Asset Position

	Budget 25 / 26 \$	Actual 24 / 25 \$	Budget 24 / 25 \$
Current Assets			
Cash - Unrestricted	489,629	1,126,496	448,101
Cash - Restricted Reserves	675,824	713,133	880,659
Contract Assets	-	158,063	-
Receivables	179,312	179,312	231,281
Inventories	48,342	48,342	21,237
Total Current Assets	1,393,107	2,225,346	1,581,278
Current Liabilities			
Trade and Other Payables	(830,232)	(1,876,772)	(168,111)
Accrued Expenses	-	(44,992)	-
Contract Liabilities	-	(318,178)	(384,800)
Deposits and Bonds	-	-	-
Short Term Borrowings	(288,566)	(277,103)	(278,295)
Provisions	(201,436)	(201,436)	(155,412)
Total Current Liabilities	(1,320,234)	(2,718,481)	(986,618)
Net Current Funding Position	72,873	(493,135)	594,660
Less: Cash - Restricted Reserves	(675,824)	(713,133)	(880,659)
Less: Accrued Interest on Loans	-	(19,177)	-
Add: Self-Supporting Loan Debtor	23,872	22,614	22,706
Add: loan principal (current)	288,566	277,103	278,295
Add: Current Portion of Debentures	-	-	-
Estimated Surplus / (Deficit) C/FWD	(290,513)	(925,728)	15,003

**SHIRE OF VICTORIA PLAINS
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDING 30 JUNE 2026**

11. NET CURRENT ASSETS

(b) MATERIAL ACCOUNTING POLICIES

CURRENT AND NON-CURRENT CLASSIFICATION

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Shire's operational cycle. In the case of liabilities where the Shire does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the Shire's intentions to release for sale.

TRADE AND OTHER PAYABLES

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

PREPAID RATES

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Shire recognises revenue for the prepaid rates that have not been refunded.

INVENTORIES

General

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

SUPERANNUATION

The Shire contributes to a number of superannuation funds on behalf of employees. All funds to which the Shire contributes are defined contribution plans.

INVENTORY - LAND HELD FOR RESALE

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point.

Inventory - land held for resale is classified as current except where it is held as non-current based on the Shire's intentions to release for sale.

GOODS AND SERVICES TAX (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

TRADE AND OTHER RECEIVABLES

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for grants, contributions, reimbursements, and goods sold and services performed in the ordinary course of business.

Trade and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value.

Trade receivables are held with the objective to collect the contractual cashflows and therefore the Shire measures them subsequently at amortised cost using the effective interest rate method.

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

The Shire applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

PROVISIONS

Provisions are recognised when the Shire has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

EMPLOYEE BENEFITS

Short-term employee benefits

Provision is made for the Shire's obligations for short-term employee benefits. Short term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Shire's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the determination of the net current asset position.

The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the determination of the net current asset position.

Other long-term employee benefits

Long-term employee benefits provisions are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

**SHIRE OF VICTORIA PLAINS
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDING 30 JUNE 2026**

12. TRUST FUNDS

Description	Opening Balance 01 Jul 25 \$	Amounts Received \$	Amounts Paid \$	Closing Balance 30 Jun 26 \$
	-	-	-	-
Total Trust Funds	-	-	-	-

13. JOINT ARRANGEMENTS

a) Joint Arrangement Information

The following two joint arrangements have been classified as a Joint Operations.

i) Calingiri - Lot 23 and 24 Harrington Street

The Shire entered into a Joint Arrangement with Homeswest on 17 December 1999. The purpose of the arrangement was for the construction of four aged persons units in Calingiri.

ii) Bolgart - Lot 184 and 191 George Street

The Shire entered into a Joint Arrangement with Homeswest on 21 February 2006. The purpose of the arrangement was for the construction of two aged persons units in Bolgart.

Both sites were subject to a revaluation at the end of 2021-22 and finalise in the 2022-23 financial year after budget adoption.

b) Joint Arrangement Information

	Budget 25 / 26 \$	Actual 24 / 25 \$	Budget 24 / 25 \$
i) Non-current Assets			
Land and Buildings	773,052	773,052	773,052
Accumulated Depreciation	(45,668)	(45,668)	(44,117)
	727,384	727,384	728,935

14. MAJOR LAND TRANSACTIONS

The Shire does not anticipate any major land transactions in the 25/26 financial year as defined in section 3.59 of the Local Government Act 1995 but makes the following disclosure:

Edmond Street Concept Plan

The Edmond Street Concept Plan consists of two accommodation options:

Edmond Street Residential Sub-division

The Edmond Street sub-division will consist of ten lots, with a dwelling installed on each block. The purpose of this development is to address housing affordability including key workers employed by the Shire and others throughout the district. These homes will have the ability to either be leased or sold to prospective users. Sustainability practices will be used in the construction and design where possible.

Short Stay Accommodation and Caravan Park

The Short Stay Accommodation and Caravan Park will address the need of alternative accommodation options for workers and visitors. This will include at least six chalets and 20 caravan parking bays and four RV bays. Sustainability practices will be used in the construction and design where possible.

15. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

The Shire does not anticipate any trading undertakings or major trading undertakings in the 25/26 financial year

**SHIRE OF VICTORIA PLAINS
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDING 30 JUNE 2026**

16. GRANTS, SUBSIDIES AND CONTRIBUTIONS INFORMATION

	Budget 25 / 26 \$	Actual 24 / 25 \$	Budget 24 / 25 \$
Operating grants, subsidies and contributions			
Governance	-	2,434	48,000
General Purpose Funding	1,633,207	1,033,208	1,338,692
Law, Order, Public Safety	355,383	288,996	329,000
Education and Welfare	30,000	21,894	30,000
Community Amenities	-	-	-
Recreation and Culture	-	-	5,000
Transport	211,511	216,307	1,042,967
Economic Services	42,885	33,076	67,290
Other Property and Services			
	2,272,986	1,595,915	2,860,949
Capital grants, subsidies and contributions			
Governance	-	41,090	35,000
Law, Order, Public Safety	110,000	-	35,000
Housing	4,594,000	40,165	67,000
Community Amenities	-	211,524	270,242
Recreation and Culture	117,000	224,137	225,000
Transport	4,320,779	2,910,172	3,286,392
Economic Services	2,802,785	167,809	3,029,858
	11,944,564	3,594,897	6,948,492
Total Grant, Subsidies and Contributions	14,217,550	5,190,812	9,809,441